



OFFICE OF THE SUPERINTENDENT OF SCHOOLS

**Avon Public Schools**

34 SIMSBURY ROAD  
AVON, CONNECTICUT 06001  
TEL: (860) 404-4700  
gmala@avon.k12.ct.us

**Gary S. Mala**  
SUPERINTENDENT OF SCHOOLS

November 9, 2016

Dear Parents, Staff and Concerned Citizens:

I am pleased to communicate with you once again and hope this message finds you well.

In preparation for building the annual, proposed budget for the 2017-2018 fiscal year and the deliberations regarding what will be ultimately proposed by the Board of Education and Town Council, I wish to share with you information that has been discussed between the Chairs of the above mentioned elected Boards, Town Manager and District Central Leadership staff.

The following information has been discussed as the possible parameters for what is requested for next year:

In May of 2016, Bill No. 502 was adopted by the General Assembly. This legislation includes the creation of a "soft cap" on annual increases to municipal expenditures. The cap is set at 2.5% or the rate of inflation, whichever is greater. If the cap is exceeded, funding through a specific grant line item to all cities and towns is reduced by \$0.50 for every \$1.00 over the cap. Additionally, language explaining this must be included on the tax bills that resident and property owners receive.

The law also identifies line items that can be excluded from the calculation of the cap. Exclusions include, but are not limited to: debt service, special education, some capital expenditures and payments on unfunded pension liabilities

Modeling has been prepared by the Town's Finance Office to gauge the potential impact of the soft cap by comparing the FY (fiscal year) 2016 and FY (fiscal year) 2017 budgets. The calculations take the adopted budgets for each year and then apply the exclusions (items that can be excluded from the calculation of the cap).

The end result is that the year over year budget increase from FY 15/16 to FY 16/17 is 2.48%. Therefore, there would have been no penalty. In addition, all things being equal, a 2.5% increase from this year's budget to next year's limits the request for all new funds at \$1,700,000 in the aggregate Town budget for next year.

This information as it has been explained was discussed by the Chairs of each elected Board and will serve as the parameters for the 2017-2018 Town budget.

As always, I thank you again for the privilege of serving you and your children. I wish you a relaxing and enjoyable rest of the week.

Very truly yours,

Gary S. Mala  
Superintendent of Schools  
Avon Public Schools